



**STATE OF DELAWARE
EXECUTIVE DEPARTMENT
DELAWARE ECONOMIC DEVELOPMENT OFFICE**

Alan B. Levin
Director

January 15, 2015

Mr. Kenneth Laubsch
President & Chief Executive Officer
Green Recovery Technologies
42 Lukens Drive
New Castle, DE 19720

Dear Mr. Laubsch:

This letter rescinds and replaces my letter to you of August 18, 2014 regarding the granting of Emission Reduction Credits (ERCs) for Green Recovery Technologies (GRT) facility at 42 Lukens Drive, New Castle, DE.

DEDO recognizes that a delay in the issuance of the Delaware Coastal Zone Permit necessary to the operation of GRT's facility has made achieving compliance with the terms and conditions of the August 18, 2014 ERC grant letter unfeasible. Therefore, the Delaware Economic Development Office withdraws the grant of ERCs as detailed in my August 18, 2014. This letter will re-grant to Green Recovery Technologies (GRT) the 7 Emission Reduction Credits (ERCs) necessary as required offsets for the issuance of a Delaware Coastal Zone permit allowing the operation of a steam generating boiler at GRT's facility under the terms and conditions listed below.

- 1) The credits granted are for 7 NOx Ozone Season credits currently held in the DEDO credit bank; and,
- 2) DEDO acknowledges that GRT has previously submitted a \$500 application fee to DEDO and is not required to submit an additional fee.
- 3) The credits are granted when the following conditions are met.
 - DEDO receives a copy of this letter signed by an authorized officer of GRT acknowledging and accepting these terms and conditions.

- GRT withdraws its previous application and files a new application for a Delaware Coastal Zone permit, participates in the required public hearing and receives the required Coastal Zone Act Permit.
- GRT commences full operation of its New Castle, DE biomass conversion facility on or before December 31, 2015. Should operations not commence by that date, DEDO reserves the right to rescind this award and return the credits to the credit bank.
- GRT agrees that they will employ a minimum of 15 full-time employees in the operation of facility on or before December 31, 2016.
- GRT will be required to certify the new jobs created and total employment on an annual basis beginning on December 31, 2015 and continuing through December 31, 2018. GRT shall certify, on a form acceptable to DEDO, the number and compensation level of all full-time permanent employees.
- GRT agrees that should its employment fall below 15 full-time employees for four consecutive months or if the operation is idle for four consecutive months, DEDO reserves the right to rescind this award and return the credits to the credit bank.
- GRT agrees that the credits are for the operation of its boiler at 42 Lukens Drive, Suite 100, New Castle, DE and may not be sold or transferred in any manner to any other organization or utilized at any other location without the expressed written consent of DEDO. If DEDO does not approve a transfer, the credits will be returned to the credit bank.

If you need more information, please contact Jeff Stone at (302) 672-6849 or jeff.stone@state.de.us.

I appreciate your continuing investment in the State of Delaware and your efforts to preserve and enhance our environment and wish you continued growth and success in your operations.

Sincerely,



Alan B. Levin
Director

cc: David Small, Department of Natural Resources and Environmental Control
Ali Mirzakhali, Department of Natural Resources and Environmental Control
Phil Cherry, Department of Natural Resources and Environmental Control
Kevin Coyle, Department of Natural Resources and Environmental Control

On behalf of Green Recovery Technologies, I hereby acknowledge and accept the terms and conditions as detailed above.

By: _____
Name & Title

_____ Date